



United States Department of Agriculture
Rural Development
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SUBJECT: Wisconsin Rural Development Guaranteed Rural Housing (GRH) –
IMPORTANT YEAR END FUNDING INFORMATION

To: Approved GRH Lenders and Originators

Following is important information regarding year-end funding for Wisconsin's Guaranteed Rural Housing (GRH) loan program. Please distribute this information to all of your branch offices, correspondent banks or mortgage brokers that originate GRH loans in Wisconsin.

UNLIMITED GRH FUNDS ARE AVAILABLE THROUGH SEPTEMBER 30TH!!!

Lenders are reminded that our Fiscal Year 2002 (and funding cycle), ends on September 30th. We ask that you continue to process applications for GRH financing, and submit to your Rural Development approval office for funding from our current allocation, as unlimited funds are currently available. Please plan to have all application packages to Rural Development for approval no later than Friday, September 27th, to allow time for review and processing on or before September 30th.

We expect to receive our funding for Fiscal Year 2003 soon after October 1st. Please continue to process application for GRH financing; we pledge to do everything possible to make this 'break' as seamless as possible to our lenders.

GRH APPROVAL SUBJECT TO AN APPRAISAL

To assist you in meeting the above time frames, **Rural Development will accept GRH underwriting packages that are subject to a satisfactory real estate appraisal**, through September 30th. Rural Development will obligate funds and issue Conditional Commitments for GRH loan packages that meet all other eligibility requirements, requiring lenders to provide a satisfactory appraisal prior to loan closing. Final acceptance of the appraisal by Rural Development will be required before the lender closes the loan. GRH loan applications submitted to Rural Development *after* September 30th, will again require a complete real estate appraisal with the application package.

If you have any questions regarding this memo, please telephone 715-345-7620 for Paul Bartlett (Ext 114), or Sue Kohnen (Ext 115).

/s/

PETER G. KOHNEN
Rural Housing Program Director

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